

more-money bill is about whether we will do the same thing that families have to do, which is make tough choices and prioritize.

It is easy to find \$1.36 million in the Justice Department of all the waste that is there. However, we refuse to do that. The majority leader refuses to do that. He refuses to get rid of programs that are not working and instead adds more programs.

This is a good program. I am totally for the intent of this legislation. What I am not for is sacrificing the future of America's children by us not doing our job, by us not making the hard choices and eliminating waste, eliminating duplication, eliminating fraud, and pass another authorization bill that will be spent when we have that kind of waste.

So the point is not whether we should go after civil rights violations from the fifties and sixties. The point is will we do what the American people expect us to do?

The majority leader claims this is a 99-to-1 issue. It is not. The real issue is that 91 percent of the American people don't have confidence in what we are doing. We ought to be a lot more worried about that, when we do not do what is expected of us—eliminate waste, eliminate fraud, eliminate abuse—and instead pass billions of dollars in more legislation.

I will spend some time at 5:15 p.m. delineating the potential bill the majority leader is going to bring up on bills on which I and 56 other Senators have holds. But it is inaccurate and undeniably in error to say I am opposed to the Emmett Till Justice Act. I am not. I am for it. I just believe we ought to do two good things instead of one good thing and one bad thing.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I ask unanimous consent that at the conclusion of my remarks, the Senator from New Mexico be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. Mr. President, I wish to go back to the discussion about the subject we want to devote a lot of attention to this week, and that is gas prices. Senator BOND spoke to that issue a little earlier. We are going to be going to that issue tomorrow. It is critical that we address this problem before the August recess in a couple of weeks.

Forty-four Republicans have cosponsored the Gas Price Reduction Act, about which Senator BOND spoke. It is a balanced approach to our energy crisis. It recognizes the need for additional production, as well as dealing with the demand side. In other words, use less, find more, and to do so here at home, to use American energy to solve this American crisis. That way we can have more control over our own destiny, a point I will be making in a moment.

The other side, though, has decided to approach this problem with a very

narrow and limited approach dealing with so-called speculators. Speculators are people who trade in crude oil. There is a view that speculators actually affect the price when they buy it or sell it.

The first point I wish to make is the opposition always talks about driving up the price when speculators buy, but they never bother to mention that every time you buy, somebody else sells. So it is a little hard to see how speculators are responsible only for the increase. As a matter of fact, last week was the largest drop in oil prices ever in our history, at least in the last couple of decades, over \$20. I don't think anybody blamed the speculators for the decline, or maybe I should say they didn't cheer the speculators for the decline or drop in oil prices. So it is a little odd every time the price goes up, it is the speculators' fault, but when the price goes down, well, maybe that is the market forces taking control. The reality is that for every purchase, you have to have someone who is selling.

I did think it was interesting that the majority leader was here earlier and he actually attributed that decline to the fact that we were talking about legislation dealing with speculators. I see no evidence to support that claim and, in fact, I will cite some evidence quite to the contrary in a moment. But it reminds me of a great fable writer by the name of Stephen Leacock who tells the story about the two fleas on the back of the Roman chariot. They look back and say: My, what a fine cloud of dust we are creating. It seems to me that is pretty similar to contending this speculation bill caused the drop in prices. I think we all know what it was. When President Bush announced the end of the Executive moratorium on drilling, that is when the prices went down. As a matter of fact, Joseph Trevisani, who is the chief market analyst for a company called FX Solutions, said a few days ago:

President Bush lifted the executive ban on offshore drilling on Monday and by Friday crude prices had completed their sharpest fall in percentage terms since 2004.

He went on to say:

Oil traders are betting that this Congressional ban on drilling which covers 85 percent of U.S. Continental waters will not stand.

That is the point. When we start seriously talking about eliminating the ban on production, that is when prices will go down. Why is that? Speculators are actually very smart researchers who are trying to figure out whether demand will exceed supply or supply will exceed demand some time in the future—16 months out, 18 months, 2 years, 5 years, whatever it might be. They do a lot of research to try to figure this out. It doesn't take a genius to figure out that if you have a legal ban on more production and you lift that ban, obviously you are going to potentially produce a lot more crude oil. That increase in supply will obviously affect the price because it will then ex-

ceed the demand or at least it will keep pace with demand. That is simple market economics. That is what happened last week. It illustrates the fact that while there are those who say if we increase our production, it is going to take 3 to 7 years before we will see any of that production, the mere fact that we are getting serious about doing it was enough to reduce prices. I suspect if we actually pass a law that does it, the prices will decline even further and will continue to decline as progress is made toward increased production.

The reality is that prices rise and fall depending on a lot of events that are outside our control, and we need to bring more of those decisions within our control. There is a hurricane in the gulf. Iran is rattling its sword in the Middle East. Those kinds of things cause the prices to go up because there is a suggestion that the supply may be interrupted in the future. Then by the same token, we react to good news, as occurred last week. When the President says we are going to remove the moratorium that by Executive order has been placed on production and Congress says we are considering legislation to remove the congressional moratoria as well, speculators react to that as well.

The other side, which says it is all the speculators who are to blame for the rising prices, might as well blame the weatherman for bad weather. His job is to do the research and predict what the weather is going to be. Muzzling him and saying he cannot talk about the weather is not going to create sunny days next week. Those days are going to come because of weather factors, not because the expert in the field is predicting it one way or the other. It is the same thing with these so-called speculators who are in the business of buying, whether it is for an airline or a pension fund or for whom-ever. Their job is to try to determine what the market price should be at any given time.

I talked about trying to gain more control of it ourselves. Unfortunately, there are a lot of producers in the world that have an interest in increasing the price of oil and have the means of doing so by simply acting badly. I am speaking of countries such as Russia, Iran, and Venezuela. In Iran, we know they have rattled their sword in the past, and that not only advances their national policy goals, but it also has a tendency to cause panic in the market and, therefore, the prices go up because there is a view there may not be an adequate supply for the demand we have.

For example, I note the fact that all of the oil through the gulf—it is not just Iranian oil; it is from the Emirates, Saudi Arabia, Iraq, and other countries. About two-fifths of all globally traded oil goes through the Strait of Hormuz, and Iran is on one side of the Strait of Hormuz. They have their ships in the area. At one time or another they have tried to interfere with